

U.S. DEPARTMENT OF STATE
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FACT SHEET

U.S. Defense Trade Cooperation Treaties with the United Kingdom and Australia

On September 29, 2010, the United States Senate approved the U.S.-UK and the U.S.-Australia Defense Trade Cooperation Treaties. These treaties recognize and support the long-standing special relationship between the United States and two of its closest allies. The treaties allow for the export or transfer of certain defense articles and defense services controlled pursuant to the International Traffic in Arms Regulations (ITAR) between certain persons in the United States and the United Kingdom, pursuant to the U.S.-UK treaty, or between certain persons in the United States and Australia, pursuant to the U.S.-Australia treaty, without the need for export licenses or other ITAR approvals.

In doing so, these treaties support U.S. national security interests by assisting our armed forces in obtaining the best technology possible in the most expeditious manner possible so that they may possess the critical capability of interoperability, which is essential to our success in meeting shared security challenges.

How the treaties work

The treaties create Approved Communities of government and private sector entities that may receive defense articles and defense services under the treaties. To qualify for membership in these communities, private entities must meet specific requirements, which for UK and Australian private entities includes approved for inclusion by the USG and their respective governments.

Under the treaties, it will be possible for most U.S. defense articles to be exported into, and within, these communities without prior licenses or other authorizations pursuant to the ITAR as long as the exports are in support of:

- Certain combined military and counter-terrorism operations;
- Certain cooperative security and defense research, development, production, and support programs;
- Certain Mutually agreed security and defense projects where the end-user is the Government of the United Kingdom or the Government of Australia; or

- Certain U.S. Government end-use.

The United States and the UK, and the U.S. and Australia must jointly agree on which projects, programs and operations qualify for processing under the terms of the treaties. UK and Australian retransfer or re-exports of items originally exported pursuant to either treaty to a person outside the respective Approved Communities will require USG approval and UK or Australian authorization as appropriate.

Congressional notification requirements under the Arms Export Control Act

Pursuant to the implementing legislation adopted by the House and Senate, the Executive Branch will continue to notify Congress of proposed exports of defense articles and services that meet the dollar thresholds for notification in the Arms Export Control Act: \$25 million for major defense equipment and \$100 million for other defense articles and services.